

ILLINOIS
COMMERCE COMMISSION

SEP 27 12 45 PM '01

ANNUAL REPORT
OF

CHIEF CLERK'S OFFICE

RESPONDENT: (exact name) <u>Kayla Communication Inc.</u>		
Street or Local Address: <u>7242 S. Honore</u>		
City: <u>Chicago</u>	State: <u>IL</u>	Zip: <u>60636</u>

TO THE
OFFICIAL FILE ILLINOIS COMMERCE COMMISSION

ILL. C. C. DOCKET NO. 01-0235527 East Capitol
Springfield, Illinois 62701Petitioner Exhibit No. 1 on Rehearing

Witness _____

FOR THE

Date 9-28-01 Reporter CBCalendar Year Ended December 31, 99

Two copies of the published annual report to stockholders (were/will be) forwarded to the Commission on or about
if no such report published, so state)

NAME AND ADDRESS OF REGISTERED AGENT (Per 83 Illinois Administrative Code Part 215)

Exact Name of Registered Agent: <u>Roderick Brim</u>		
Street or Local Address: <u>7242 S. Honore</u>		
City: <u>Chicago</u>	State: <u>IL</u>	Zip: _____
Telephone: (include area code) <u>773-737-6408</u>		

OFFICER OR OTHER PERSON TO WHOM CORRESPONDENCE SHOULD BE ADDRESSED CONCERNING THIS REPORT*:

Exact Name: <u>Roderick Brim</u>	Title: <u>President</u>
Street or Local Address: <u>7242 S. Honore</u>	
City: <u>Chicago</u>	State: <u>IL</u> Zip: _____
Telephone: (include area code) <u>773-737-6408</u>	

*To be kept current. Notify the Commission of every change until the report for the following calendar year has been filed.

This agency is requesting disclosure of information that is necessary to accomplish the statutory purpose as outlined in Section 5-109 of the Public Utilities Act [220 ILCS 5/5-109]. Disclosure of the information is REQUIRED. Failure to provide any information could result in a fine of \$100 per day under Section 109 of the Public Utilities Act.

TABLE OF CONTENTS

TITLE	PAGE NO.
General Instructions	I, II
Respondent's Identity and Control	1
Board of Directors	2
Voting Powers and Elections	3
Important Changes During the Year	4
Balance Sheet Accounts	5
Income Statement Accounts	10
Telecommunication Plant in Service Retired	16
Analysis of Entries in Property Held for Future Telecommunications Use	17
Analysis of Telecommunications Plant Acquired	18
Analysis of Entries in Accumulated Depreciation	19
Statement of Cash Flows	23
Receivables and Investments - Affiliated and Nonaffiliated Companies	24
Deferred Charges	25
Capital Stock	26
Long-Term Debt	27
Capital Stock and Funded Debt Reacquired or Retired During the Year	28
Accounts Payable	30
Other Deferred Credits	31
Net Deferred Operating Income Taxes	32
Other Operating Taxes	33
Prepaid Taxes and Tax Accruals	34
Federal Income Taxes	35
Analysis of Dividends and Interest Income	36
Regulatory Commission Expenses	37
Analysis of Extraordinary Items	38
Access Lines and Territory Served	39
Pension Cost	40
Reconciliation of Book Net Income with Estimated Taxable Income for Federal Income Taxes	41
Reconciliation of Gross Revenue Tax	42
Contracts for Management, Construction, Engineering, Supply, Financial or Purchasing Service	43
Verification	44

GENERAL INSTRUCTIONS
FORM 23A

1. Form 23A of annual report is to be completed in triplicate: The original and one conformed copy of this report form, properly completed and verified, are to be filed with the ILLINOIS COMMERCE COMMISSION, 527 East Capitol Avenue, P.O. Box 19280, Springfield, Illinois 62794-9280, on or before March 31 of the year following the year for which the report is made. At least one copy of such report is to be retained by respondent.
2. The Illinois Commerce Commission Form 23A shall be filed by telecommunication carriers which are not required to file Form M Annual Report with the Federal Communications Commission and when Form M is not filed on an Illinois jurisdictional basis.
3. The following shall be asterisked and included at the bottom of the Income Statement Accounts: "*Total Annual Competitive Service Revenues included above \$_____.*" Correspondingly, place an asterisk next to the Total Revenue amount in the Income Statement of Accounts.
4. Access lines are defined, in the context of this report, as all individual business and residence lines, key trunk lines, PBX trunk lines, and centrex main line with separate numbers.
5. Unless otherwise indicated, the information required in Annual Report Form 23A shall be taken from the accounts and other records prescribed in 83 Ill. Adm. Code 710 and the definitions and instructions contained therein shall also apply to this report wherever applicable.
6. All instructions shall be followed and each question shall be answered fully and accurately. Sufficient answer shall appear to show that no question has been overlooked. The expression "*none*" or "*not applicable*" shall be given as the answer to any particular inquiry where it truly and completely states the fact. Customary abbreviations may be used.
7. All data is to be typed on the form. Entries of an opposite character (such as decreases reported in a column providing for both increases and decreases) shall be enclosed in parentheses.
8. Where it is requested that Commission authority be supplied and such authority refers to Illinois Commerce Commission authority, use a docket number, where appropriate.
9. The annual report shall in all particulars be complete in itself. Reference to reports of previous years or to other reports shall not be made in lieu of required entries.
10. If it is necessary or desirable to insert additional statements for the purpose of further explanation of accounts or schedules, they should be made on durable paper conforming to this form. Inserts are to be securely bound in the report and are to bear the titles of the schedules and report form page numbers to which they pertain.
11. Amounts in any schedule may be rounded off to whole dollars provided that amounts are appropriately adjusted to accord with totals. Accounts may be aggregated as provided for in the Uniform System of Accounts.
12. Wherever information is required to be shown "*in a note*" the information shall be shown at the foot of the schedule if space permits, or a reference shall be made to the adjacent page or insert where the note will be found. In each case the information shall be properly identified. Where the space provided is insufficient for the required data or where it is otherwise necessary or desirable to insert additional statements or schedules, the insert pages shall be of durable paper conforming to this form in size and width or margin. Each insert shall bear the number and title of the schedule to which it pertains, as well as the name of the respondent and the year covered, in a style conforming as nearly as practicable to that appearing on the regular page.
13. The information required with respect to any statement shall be furnished as a minimum requirement to which shall be added such further material information as is necessary to make the required statements in the light of the circumstances under which they are made, not be misleading.
14. With regard to the Pension Cost Schedule, on lines 14 thru 17, respondents shall report at the reporting company level in columns (b) and (c) the dollar amounts for each line. The term "*Minimum Required Contribution*" shall mean the payment by the respondent to its employees' pension fund to meet the requirement set forth in the Employee Retirement Income Security Act of 1974 (ERISA) the term "*Actual Contribution*" shall mean the amount contributed by the respondent to its employees' pension fund; the term "*Maximum Amount Deductible*" shall mean the amount of pension expense that is allowable under Section 415 of the Internal Revenue Code; and the term "*Benefit Payments*" shall mean disbursements from a pension to entitled participants for pension benefits, death benefits and benefits due on termination of employment.

ANNUAL REPORT
OF

RESPONDENT: (exact name) <u>Kayla Communication Inc.</u>		
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City: <u>Chicago</u>	State: <u>IL</u>	Zip: <u>60636</u>

TO THE
ILLINOIS COMMERCE COMMISSION527 East Capitol
Springfield, Illinois 62701

FOR THE

Calendar Year Ended December 31, 2000

Two copies of the published annual report to stockholders (were/will be) forwarded to the Commission on or about _____
 if no such report published, so state)

NAME AND ADDRESS OF REGISTERED AGENT (Per 83 Illinois Administrative Code Part 215)

Exact Name of Registered Agent: <u>Roderick Brim</u>		
Street or Local Address: <u>7242 S. Honore</u>		
City <u>Chicago</u>	State <u>IL</u>	Zip: _____
Telephone: (include area code) <u>773-737-6408</u>		

OFFICER OR OTHER PERSON TO WHOM CORRESPONDENCE SHOULD BE ADDRESSED CONCERNING THIS REPORT*:

Exact Name: <u>Roderick Brim</u>		Title: <u>President</u>
Street or Local Address: <u>7242 S. Honore</u>		
City <u>Chicago</u>	State <u>IL</u>	Zip: _____
Telephone: (include area code) <u>773-737-6408</u>		

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This agency is requesting disclosure of information that is necessary to accomplish the statutory purpose as outlined in Section 5-109 of the Public Utilities Act [220 ILCS 5/5-109]. Disclosure of the information is REQUIRED. Failure to provide any information could result in a fine of \$100 per day under Section 109 of the Public Utilities Act.

RESPONDENT'S IDENTITY AND CONTROL

1. Exact name of company making this report.

Kayla Communication Inc.

2. Date of incorporation.

February 1-99

3. Under laws of what state incorporated?

Illinois

4. If not incorporated: (a) give type of organization.

(b) give date organized.

5. If name of respondent was changed during the year, give: (a) name of receiver or trustee.

(b) particulars of change.

6. Address of principal business office at year end.

7242 S. Honore Chicago, IL 60636

7. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee.

(b) date that receiver or trustee took possession.

(c) authority that created receivership or trusteeship.

(d) date when possession by receiver or trustee ceased.

8. Was respondent consolidated during year? If yes, give for each consolidation, response to items (a) and (b):

☐ Yes ☒ No

(a) date of consolidation.

(b) authorization:

9. If consolidated during current year, name the constituent companies.

10. Was respondent reorganized during year?

☐ Yes ☒ No

If during preceding ten years, give date:

11. Provide name of officer responsible for and location of general books and records of accounts.

Roderick Beim

12. If not in the State of Illinois, give docket number of Commission's authorization.

13. State the exact period of time covered by this report.

From feb 19 99

To feb

19-2000

14. Did any other corporation(s) or business trust(s) hold control over the respondent at the close of the year? ☐ Yes ☒ No

If control was so held state:

(a) the form of control, whether sole or joint.

(b) the name of the controlling corporation(s) or trust(s).

(c) the manner of control.

(d) the extent of control.

(e) If control was held by a trustee(s) state: (1) name of beneficiary(ies)

(2) purpose of the trust.

No Activity

BOARD OF DIRECTORS

Give the name of each person who was a member of the board of directors at any time during the year, indicating with an asterisk (*) in column (a) those directors who were members of the Executive Committee (if any) and by a double asterisk (**) the Chairman, if any, of that committee, at the end of the year. Columns (e) and (f) relate to Board meetings only.

Line No.	Reference to Executive Committee (a)	Name of Director and Address (City and State) (b)	Served Continuously From (c)	Term Expired or Current Term Will Expire (d)	No. of Meetings Attended During Year (e)	Fees Paid During Year (f)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31	Name of Chairman of the Board		Roderick	Beim		
32	Name of Secretary (or clerk) of Board		Roderick	Beim		
33	Number of meetings of board during the year		2			
34	Number of directors provided for by charter or by-laws, as amended to the end of the year		0			
35	Number of directors required to constitute a quorum		1			
36	State briefly the powers and duties of Executive Committee (if any)					

No Activity

VOTING POWERS AND ELECTIONS

1. Has each share of stock the right to one vote? ☐ Yes ☒ No
 2. Are voting rights attached only to stock? ☐ Yes ☒ No
 (If answer to 1 and/or 2 is "No", give full particulars on supplemental sheet.)

3. Is cumulative voting permitted? ☐ Yes ☒ No
 4. The date and place of the latest general meeting for the election of directors was:
December 31-2000

5a. Date of voting power:
 5b. Date of the last compilation was:

6. The number of shares that voted at the last general meeting:
 a. by proxy: b. total:

7. Number of Holders of Each Class of Stock as of December 31 of the Calendar Year

Common Stock (a)	Preferred Stock (b)	Other (c)	Total (d)

8. If any security has preferences, special privileges, or restrictions in the election of directors, trustees, or managers, or in the determination of any corporate action, give details below.

No Activity

IMPORTANT CHANGES DURING THE YEAR

Furnish particulars with respect to each item numbered below.
Statements should be precise, concise and numbered to agree with the item answered.

Each item is to be answered, but if the word "NONE" states the facts, then such word may be used as the answer. Information furnished elsewhere in the report and which answers an item, may be referred to in lieu of giving particulars below.

1. If there have been any changes in, or additions to, franchise rights, state nature of changes or additions and indicate from whom additional franchise rights were acquired.
2. If there has been any acquisitions of other companies, reorganization of the Company, or merger or consolidation with other companies, give particulars of the transactions, including names of all companies involved and reference to Illinois Commerce Commission authorization, if any.
3. If operating units or systems were purchased or sold, specify items, parties, dates and references to Illinois Commerce Commission authorization. Transfers of property because of jurisdiction (*boundary area*) changes are not intended to be included in operating units or systems purchased or sold.
4. If important leaseholds were acquired, given, assigned or surrendered, give effective dates, length of terms, names of parties involved, rents, Illinois Commerce Commission authorization, if any, and other conditions.
5. If important extensions of the system have been made, give location, new territory covered by distribution system, and dates of beginning operations.
6. If major rate changes became effective during the year, give estimate of increase or decrease in revenues due to such rate changes and basis of estimates. The date or dates on which the rate changes became effective are also to be given. Major rate changes include all docketed general rate increase filings and all other filings where intrastate revenues increase by five (5) percent.
7. If obligations were incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, other than ordinary commercial paper maturing on demand or not later than one year after date of issue, give particulars including Illinois Commerce Commission authorization, if any.
8. If there have been any changes in the articles of incorporation, or amendments to the charter, give particulars.
9. Give information on any changes in accounting standards that have occurred during the year.

No Activity

BALANCE SHEET ACCOUNTS

Account No.	Account (a)	Amount* (b)
	Current Assets	
1120	Cash and Equivalents	
1130	Cash	
1140	Special Cash Deposits	
1150	Working Cash Advance	
1160	Temporary Investments	
1180	Telecommunications Accounts Receivable	
1181	Accounts Receivable Allowance - Telecommunications	
1190	Other Accounts Receivable	
1191	Accounts Receivable Allowance - Other	
1200	Notes Receivable	
1201	Notes Receivable Allowance	
1210	Interest and Dividends Receivable	
1220	Material and Supplies (Inventories)	
1280	Prepayments	
1290	Prepaid Rents	
1300	Prepaid Taxes	
1310	Prepaid Insurance	
1320	Prepaid Directory Expenses	
1330	Other Prepayments	
1350	Other Current Assets	
	Total Current Assets	
	Noncurrent Assets	
1401	Investments in Affiliated Companies	
1402	Investments in Nonaffiliated Companies	
1406	Nonregulated Investments	
1407	Unamortized Debt Issuance Expenses	
1408	Sinking Funds	
1410	Other Noncurrent Assets	
1438	Deferred Maintenance and Retirements	
1439	Deferred Charges	
1500	Other Jurisdictional Assets - Net	
	Total Noncurrent Assets	

No Activity

* Amounts may be shown in Thousands of Dollars in Balance Sheet Accounts for those companies with annual revenues in excess of \$100 million.

BALANCE SHEET ACCOUNTS (continued)

Account No.	Account (a)	Balance 1/1/ (b)	Plant Added (c)	Plant Retired (d)	Transfers & Adjustments Charges/(Credits) (e)	Balance 12/31/ (f)
	Regulated Plant					
2001	Telecommunications Plant in Service					
2002	Property Held for Future Telecommunications Use					
2003	Telecommunications Plant Under Construction - Short Term					
2004	Telecommunications Plant Under Construction - Long Term					
2005	Telecommunications Plant Adjustment					
2006	Nonoperating Plant					
2007	Goodwill					
	Total Regulated Plant					
	Telecommunications Plant in Service					
2110	Land and Support Assets					
2111	Land					
2112	Motor Vehicles					
2113	Aircraft					
2114	Special Purpose Vehicles					
2115	Garage Work Equipment					
2116	Other Work Equipment					
2121	Buildings					
2122	Furniture					
2123	Office Equipment					
2123.1	Office Support Equipment					
2123.2	Company Communications Equipment					
2124	General Purpose Computers					
	Total Land and Support Assets					
	Central Office - Switching					
2210	Central Office Switching					
2211	Analog Electronic Switching					
2212	Digital Electronic Switching					
2215	Electro-mechanical Switching					
2215.1	Step by Step Switching					
2215.2	Crossbar Switching					
2215.3	Other Electro-mechanical Switching					
2220	Operator Systems					
	Total Central Office - Switching					

BALANCE SHEET ACCOUNTS (continued)

Account No.	Account (a)	Balance 1/1/ (b)	Plant Added (c)	Plant Retired (d)	Transfers & Adjustments Charges/(Credits) (e)	Balance at 12/31/ (f)
	Regulated Plant					
2230	Central Office - Transmission					
2231	Radio Systems					
2231.1	Satellite and Earth Station Facilities					
2231.2	Other Radio Facilities					
2232	Circuit Equipment					
	Total Central Office - Transmission					
2310	Information Origination/Termination					
2311	Station Apparatus					
2321	Customer Premises Wiring					
2341	Large Private Branch Exchange					
2351	Public Telephone Terminal Equipment					
2362	Other Termination Equipment					
	Total Information Origination/Termination Assets					
	Cable and Wire Facilities Assets					
2410	Cable & Wire Facilities					
2411	Poles					
2421	Aerial Cable					
2422	Underground Cable					
2423	Buried Cable					
2424	Submarine Cable					
2425	Deep Sea Cable					
2426	Intrabuilding Network Cable					
2431	Aerial Wire					
2441	Conduit Systems					
	Total Cable and Wire Facilities Assets					
	Amortizable Assets					
2680	Amortizable Tangible Assets					
2681	Capital Leases					
2682	Leasehold Improvements					
2690	Intangibles					
	Total Amortizable Assets					
	Total Telecommunications Plant in Service					

BALANCE SHEET ACCOUNTS (continued)

Account No.	Account (a)	Amount (b)
	Depreciation and Amortization	
3100	Accumulated Depreciation	
3200	Accumulated Depreciation - Held for Future Telecommunications Use	
3300	Accumulated Depreciation - Nonoperating	
3400	Accumulated Amortization - Tangible	
3410	Accumulated Amortization - Capitalized Leases	
3420	Accumulated Amortization - Leasehold Improvements	
3500	Accumulated Amortization - Intangible	
3600	Accumulated Amortization - Other	
	Total Depreciation and Amortization	
	Net Plant	
	Total Assets	
	Current Liabilities	
4010	Accounts Payable	
4020	Notes Payable	
4030	Advanced Billing and Payments	
4040	Customers' Deposits	
4050	Current Maturities - Long Term	
4060	Current Maturities - Capital Leases	
4070	Income Taxes - Accrued	
4080	Other Taxes - Accrued	
4100	Net Current Deferred Operating Income Taxes	
4110	Net Current Deferred Nonoperating Income Taxes	
4120	Other Accrued Liabilities	
4130	Other Current Liabilities	
	Total Current Liabilities	
	Long-Term Debt	
4210	Funded Debt	
4220	Premium on Long-term Debt	
4230	Discount on Long-term Debt	
4240	Reacquired Debt	
4250	Obligations under Capital Leases	
4260	Advances from Affiliated Companies	
4270	Other Long-term Debt	
	Total Long-Term Debt	
	Other Liabilities and Deferred Credits	
4310	Other Long-term Liabilities	
4320	Unamortized Operating Investment Tax Credits - Net	
4330	Unamortized Nonoperating Investment Tax Credits - Net	
4340	Net Noncurrent Deferred Operating Income Taxes	
4350	Net Noncurrent Deferred Nonoperating Income Taxes	
4360	Other Deferred Credits	
4370	Other Jurisdictional Liabilities and Deferred Credits - Net	
	Total Other Liabilities and Deferred Credits	

No Activity

BALANCE SHEET ACCOUNTS (continued)

Account No.	Account (a)	Amount (b)
	Stockholders' Equity	
4510	Capital Stock	
4520	Additional Paid-In Capital	
4530	Treasury Stock	
4540	Other Capital	
4550	Retained Earnings	
	Total Stockholders' Equity	
	Total Liabilities and Stockholders' Equity	
	Retained Earnings	
4550	Retained Earnings (Beginning of Year)	
	Net Income	
	Dividends Declared	
	Miscellaneous Debits	
	Miscellaneous Credits	
4550	Retained Earnings (End of Year)	

No Activity

INCOME STATEMENT ACCOUNTS		
Account No.	Account (a)	Amount (b)
	Local Network Services Revenues	
5001	Basic Area Revenues	
5002	Optional Extended Area Revenue	
5003	Cellular Mobile Service Revenue	
5004	Other Mobile Service Revenue	
5000	Total Basic Local Service Revenue	
5010	Public Telephone Revenue	
5040	Local Private Line Revenue	
5050	Customer Premises Revenue	
5060	Other Local Exchange Revenue	
5069	Other Local Exchange Revenue Settlements	
5000	Total Local Network Services Revenues	
	Network Access Services Revenues	
5081	End User Revenue	
5082	Switched Access Revenue	
5083	Special Access Revenue	
5084	State Access Revenue	
5080	Total Network Access Revenue	
	Long Distance Network Services Revenues	
5100	Long Distance Message Revenue	
5111	Long Distance Inward-Only Revenue	
5112	Long Distance Outward-Only Revenue	
5110	Total Unidirectional Long Distance Revenue	
5121	Subvoice Grade Long Distance Private Network Revenue	
5122	Voice Program Grade Long Distance Private Network Revenue	
5123	Audio Program Grade Long Distance Private Network Revenue	
5124	Video Program Grade Long Distance Private Network Revenue	
5125	Digital Transmission Long Distance Private Network Revenue	
5126	Long Distance Private Network Switching Revenue	
5128	Other Long Distance Private Network Revenue	
5129	Other Long Distance Private Network Revenue Settlements	
5120	Total Long Distance Private Network Revenue	
5160	Other Long Distance Revenue	
5169	Other Long Distance Revenue Settlements	
	Total Long Distance Network Services Revenues	

No Activity

INCOME STATEMENT ACCOUNTS (continued)

Account No.	Account (a)	Amount (b)
	Miscellaneous Revenues	
5230	Directory Revenue	
5240	Rent Revenue	
5250	Corporate Operations Revenue	
5260	Miscellaneous Revenues	
5261	Special Billing Arrangement Revenue	
5262	Customer Operations Revenue	
5263	Plant Operations Revenue	
5264	Other Incidental Regulated Revenue	
5269	Other Revenue Settlements	
5270	Carrier Billing and Collection Revenue	
5280	Nonregulated Operating Revenue	
5200	Total Miscellaneous Revenues	
	Uncollectible Revenues	
5301	Uncollectible Revenue - Telecommunications	
5302	Uncollectible Revenue - Other	
5300	Total Uncollectible Revenue	
	Total Operating Revenues	

No Activity

INCOME STATEMENT ACCOUNTS (continued)

Account No.	Account (a)	Salaries & Wages (b)	Benefits (c)	Rents (d)	Other Expenses (e)	Total (f)
	Plant Specific Operations Expense					
6112	Motor Vehicle Expenses					
	Clearance					
	Net Balance					
6113	Aircraft Expense					
	Clearance					
	Net Balance					
6114	Special Purpose Vehicle Expense					
	Clearance					
	Net Balance					
6115	Garage Work Equipment Expense					
6116	Other Work Equipment Expense					
	Clearance					
	Net Balance					
6110	Total Network Support Expense					
6121	Land and Building Expenses					
6122	Furniture and Artwork Expenses					
6123	Office Equipment Expense					
6124	General Purpose Computers Expense					
6120	Total General Support Expenses					
6211	Analog Electronic Expense					
6212	Digital Electronic Expense					
6215	Electro-mechanical Expense					
6210	Total Central Office Switching Expense					
6220	Operators System Expense					
6231	Radio Systems Expense					
6232	Circuit Equipment Expense					
6230	Total Central Office Transmission Expense					
6311	Station Apparatus Expense					
6341	Large Private Branch Exchange Expense					
6351	Public Telephone Terminal Equipment Expense					
6362	Other Terminal Equipment Expense					
6310	Total Information Origination/Termination Expense					

No Activity

INCOME STATEMENT ACCOUNTS (continued)

Account No.	Account (a)	Salaries & Wages (b)	Benefits (c)	Rents (d)	Other Expenses (e)	Total (f)
6411	Poles Expense					
6421	Aerial Cable Expense					
6422	Underground Cable Expense					
6423	Buried Cable Expense					
6424	Submarine Cable Expense					
6425	Deep Sea Cable Expense					
6426	Intrabuilding Network Cable Expense					
6431	Aerial Wire					
6441	Conduit Systems Expense					
6410	Total Cable and Wire Facilities Expenses					
	Total Plant Specific Operations Expenses					
	Plant Nonspecific Operations Expense					
6511	Property Held for Future Telecommunications Use Expense					
6512	Provisioning Expense					
	Clearance					
	Net Balance					
6510	Total Other Property Plant and Equipment Expenses					
6531	Power Expense					
6532	Network Administration Expense					
6533	Testing Expense					
6534	Plant Operations Administration Expense					
	Clearance					
	Net Balance					
6535	Engineering Expense					
	Clearance					
	Net Balance					
6530	Total Network Operations Expenses					
6540	Access Expense					
6561	Depreciation Exp. - Telecommunications Plant in Service					
6562	Depreciation Exp. - Property Held for Future Telecom. Use					
6563	Amortization Exp. - Tangible					
6264	Amortization Exp. - Intangible					
6565	Amortization Exp. - Other					
6560	Total Depreciation & Amortization Expenses					
	Total Plant Nonspecific Operations Expense					

INCOME STATEMENT ACCOUNTS (continued)

Account No.	Account (a)	Salaries & Wages (b)	Benefits (c)	Rents (d)	Other Expenses (e)	Total (f)
	Customer Operations Expense					
6611	Product Management					
6612	Sales					
6613	Product Advertising					
6610	Total Marketing					
6621	Call Completing Services					
6622	Number Services					
6623	Customer Services					
6620	Total Services					
	Total Customer Operations Expense					
	Corporate Operations Expense					
6711	Executive					
6712	Planning					
6710	Total Executive and Planning					
6721	Accounting and Finance					
6722	External Relations					
6723	Human Resources					
6724	Information Management					
6725	Legal					
6726	Procurement					
6727	Research and Development					
6728	Other General and Administrative					
6720	Total General and Administrative					
6790	Provision for Uncollectible Notes Receivable					
	Total Corporate Operations Expenses					
	Total Operating Expenses					

No Activity

INCOME STATEMENT ACCOUNTS (continued)

Account No.	Account (a)	Amount* (b)
	Net Operating Revenues	
	Other Operating Income and Expenses	
7110	Income from Custom Work	
7130	Return from Nonregulated Use of Regulated Facilities	
7140	Gains and Losses from Foreign Exchange	
7150	Gains and Losses from Disposition of Land and Artwork	
7160	Other Operating Gains and Losses	
7100	Other Operating Income and Expenses - Net	
	Operating Taxes	
7210	Operating Investment Tax Credits - Net	
7220	Operating Federal Income Taxes	
7230	Operating State and Local Income Taxes	
7240	Other Operating Taxes	
7250	Provision for Deferred Operating Taxes - Net	
7200	Total Operating Taxes	
	Nonoperating Income and Expense	
7310	Dividend Income	
7320	Interest Income	
7330	Income From Sinking and Other Funds	
7340	Allowance for Funds Used During Construction	
7350	Gains or Losses from the Disposition of Certain Property	
7360	Other Nonoperating Income	
7370	Special Charges	
7300	Nonoperating Income and Expenses - Net	
	Nonoperating Taxes	
7410	Nonoperating Investment Tax Credits - Net	
7420	Nonoperating Federal Income Taxes	
7430	Nonoperating State and Local Income Taxes	
7440	Nonoperating Other Taxes	
7450	Provision for Deferred Nonoperating Income Taxes - Net	
7400	Total Nonoperating Taxes	
	Interest and Related Items	
7510	Interest on Funded Debt	
7520	Interest Expense - Capital Losses	
7530	Amortization of Debt Issuance Expense	
7540	Other Interest Deductions	
7500	Total Interest and Related Items	
7610	Extraordinary Income Credits	
7620	Extraordinary Income Charges	
7630	Current Income Tax Effect of Extraordinary Items - Net	
7640	Provision for Deferred Income Tax Effect of Extraordinary Items - Net	
7600	Total Extraordinary Items	
	Total Interest and Related Items	
7910	Income Effect of Jurisdictional Ratemaking Differences - Net	
7990	Nonregulated Net Income	
	Net Income	

No Activity

* Amounts may be shown in thousands of dollars in the Income Statement Accounts for those companies with annual revenues in excess of \$100 million. Appropriate notation shall be made in the affected areas.

TELECOMMUNICATIONS PLANT IN SERVICE RETIRED

Line No.	Account No.	Account Charged or (credited) (a)	Plant Sold With Traffic (b)	Other Plant Retired (c)
1	3100	Accumulated Depreciation		
2	3300	Accumulated Depreciation - Nonoperating		
3	3410	Accumulated Amortization - Capitalized Losses		
4	3420	Accumulated Amortization - Leasehold Improvements		
5	3500	Accumulated Amortization - Intangibles		
6	2006	Nonoperating Plant		
7	7150	Gains and Losses From Disposition of Land and Artwork		
8	7160	Other Operating Gains and Losses		
9	7350	Gains or Losses from Disposition of Certain Property		
10	7360	Other Nonoperating Income		
11		Cash or Other Asset Account (Net Selling Price of Depreciable Plant Sold With Traffic)		
12		Cash or Other Asset Account (Net Selling Price of Nondepreciable Plant Sold)		
13		Other Accounts (Specified):		
14				
15				
16				
17				
18				
19				
20		Total		

Full explanation of amounts reported above:

No Activity

ANALYSIS OF ENTRIES IN PROPERTY HELD FOR FUTURE TELECOMMUNICATIONS USE (Account 2002)

Line No.	Location and Description of Property (a)	Date Included In Account 2002 (b)	Book Cost of Property at Beginning of Year (c)	Additions During the Year (d)	Retirements During the Year (e)	Transfers and Adjustments Charges & (Credits) (f)	Book Cost of Property at End of Year (g)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
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35							
36							
37							

ANALYSIS OF TELECOMMUNICATIONS PLANT ACQUIRED (Account 1439)

Line No.	Name of Vendor (a)	Debits During the Year				
		Balance at Beginning of Year (b)	Purchase Price (c)	Accumulated Depreciation (d)	Acquisition Expenses (e)	Other (f)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
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33						
34						
35						
36						
37						

No Activity

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION (Account 3100)

Line No.	Account (a)	Balance at Beginning of Year (b)	Credits During the Year		
			Charged to Account 6561 (c)	Other Credits (Specified) (d)	Total (e)
1	Support Assets (Accounts 2112 - 2124)				
2					
3					
4					
5	Central Office - Switching (Accounts 2211 - 2220)				
6					
7					
8					
9	Central Office - Transmission (Accounts 2231 - 2232)				
10					
11					
12					
13	Information Origination/Termination (Accounts 2311 - 2351)				
14					
15					
16					
17	Cable and Wire Facilities (Accounts 2411 - 2441)				
18					
19					
20					
21					
22					
23					
24					
25					

No Activity

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION (Account 3100 continued)

Line No.	Account (continued) (a)	Charges During the Year			Total Charges (i)	Balance at End of Year (j)
		Plant Sold with Traffic (f)	For Other Plant Retired (g)	Other Charges (Specified) (h)		
1	Support Assets (Accounts 2112 - 2124)					
2						
3						
4						
5	Central Office - Switching (Accounts 2211 - 2220)					
6						
7						
8						
9	Central Office - Transmission (Accounts 2231 - 2232)					
10						
11						
12						
13	Information Origination/Termination (Accounts 2311 - 2351)					
14						
15						
16						
17	Cable and Wire Facilities (Accounts 2411 - 2441)					
18						
19						
20						
21						
22						
23						
24						
25						

No Activity

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION (Account 3100 continued)

Line No.	Account (continued) (a)	Data Relating to Plant Sold With Traffic				
		Book Cost (k)	Selling Price (l)	Commissions and Other Expenses (m)	Charge to Accumulated Depreciation (n)	Charges or Credits to Acct. 7350 (o)
1	Support Assets (Accounts 2112 - 2124)					
2						
3						
4						
5	Central Office - Switching (Accounts 2211 - 2220)					
6						
7						
8						
9	Central Office - Transmission (Accounts 2231 - 2232)					
10						
11						
12						
13	Information Origination/Termination (Accounts 2311 - 2351)					
14						
15						
16						
17	Cable and Wire Facilities (Accounts 2411 - 2441)					
18						
19						
20						
21						
22						
23						
24						
25						

No Activity

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION (Account 3100 continued)

Line No.	Account (continued) (a)	Data Relating to Plant Sold With Traffic				
		Book Cost (p)	Cost of Renewal (q)	Salvage and Insurance (r)	Miscellaneous Adjustments (s)	Net Charge to Accumulated Depreciation (t)
1	Support Assets (Accounts 2112 - 2124)					
2						
3						
4						
5	Central Office - Switching (Accounts 2211 - 2220)					
6						
7						
8						
9	Central Office - Transmission (Accounts 2231 - 2232)					
10						
11						
12						
13	Information Origination/Termination (Accounts 2311 - 2351)					
14						
15						
16						
17	Cable and Wire Facilities (Accounts 2411 - 2441)					
18						
19						
20						
21						
22						
23						
24						
25						

No Activity

STATEMENT OF CASH FLOWS

Line No.	Description of Item (a)	Amount (b)	Lines: 1, 13, 14, 20, 21, 22, 34, 35, 36, 37 Only (c)
	Increase/(Decrease) in Cash and Cash Equivalents		
	Cash Flows from Operating Activities:		
1	Net Income		
	Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
2	Depreciation and Amortization		
3	Provision for Losses for Accounts Receivable		
4	Deferred Income Taxes - Net		
5	Unamortized ITC- Net		
6	Allowance for Funds Used During Construction		
7	Net Change in Operating Receivables		
8	Net Change in Material, Supplies and Inventories		
9	Net Change in Operating Payables and Accrued Liabilities		
10	Net Change in Other Assets and Deferred Charges		
11	Net Change in Other Liabilities and Deferred Credits		
12	Other (explained)		
13	Total Adjustments		
14	Net Cash Provided by (Used In) Operating Activities:		
	Cash Inflows (Outflows) from Investing Activities:		
15	Construction/Acquisition of Property, Plant and Equipment (Net of Allowance of Funds Used During Construction and Capital Lease Related Acquisitions)		
16	Proceeds from Disposals of Property, Plant and Equipment		
17	Investments in and Advances to Affiliates		
18	Proceeds from Repayment of Advances		
19	Other Investing Activities (explained)		
20	Net Cash Provided by (Used In) Investing Activities		
	Cash Flows from Financing Activities:		
21	Net Increase/Decrease in Short-Term Debt with Original Maturities of Three Months or Less		
22	Advances from Affiliates		
23	Repayment of Advances from Affiliates		
24	Proceeds from Long-Term Debt		
25	Repayment of Long-Term Debt		
26	Payment of Capital Lease Obligations		
27	Proceeds from Issuing Common Stock/Equity Investment from Parent		
28	Repurchase of Treasury Shares		
29	Dividends Paid		
30	Other Financing Activities (explained)		
31	Net Cash Provided by Financing Activities		
32	Effect of Exchange Rate Changes on Cash		
33	Net Increase/(Decrease) in Cash and Cash Equivalents		
34	Cash and Cash Equivalents at Beginning of Period		
35	Cash and Cash Equivalents at End of Period		

NOTES:

No Activity

Amounts may be shown in thousands of dollars in the Statement of Cash Flows for those companies with annual revenues in excess of \$100 million.

RECEIVABLES AND INVESTMENTS - AFFILIATED AND NONAFFILIATED COMPANIES

[illegible]

DEFERRED CHARGES (Accounts 1438 and 1439)
(Include data for each item in excess of \$25,000)

Line No.	Description of Item (a)	Amount at End of the Year (b)
1	Account 1438	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14	Aggregate of All Other Items	
15	Total	
16		
17	Account 1439	
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30	Aggregate of All Other Items	
31	Total	

No Activity

CAPITAL STOCK (Account 4510)

Line No.	Class and Description of Capital Stock (a)	Par or Stated Value Amount (b)	No. of Shares Authorized (c)	Amount of Stock Issued and Outstanding (d)	Additional Paid In Capital (e)	Total (Col. d & e) (f)	No. of Shares of Treasury Stock (g)	Amount in Treasury Stock Account (h)
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2								
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29								
30								
31								
32								
33								
34								
35								
36	Total							

No Activity

LONG-TERM DEBT (Account 4050, 4210, 4220, 4230, 4250, 4260 and 4270)

Line No.	Description of Obligation (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short-Term Portion (h)	Long-Term Portion (i)
1									
2									
3									
4									
5									
6									
7									
8									
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10									
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33									
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36									

CAPITAL STOCK AND FUNDED DEBT REACQUIRED OR RETIRED DURING THE YEAR

Line No.	Description of Security (a)	Reacquired During the Year				Retired During the Year	
		Reacquisition Cost		Book or Face Amount (d)	Number of Shares of Stock (e)	Book or Face Amount (f)	Number of Shares of Stock (g)
		Per \$100 of Debt (b)	Per Share of Stock (c)				
1							
2							
3							
4							
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6							
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No Activity

CAPITAL STOCK AND FUNDED DEBT REACQUIRED OR RETIRED DURING THE YEAR

Line No.	Effective Date of Call (if any) (h)	Unamortized Discount (or Premium) and Expense		Redemption Premium (or Discount)		Reacquisition or Redemption Expenses		Cross Reference to Separate Pages for Remarks (o)
		Account (i)	Amount (j)	Account (k)	Amount (l)	Account (m)	Amount (n)	
1								
2								
3								
4								
5								
6								
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32								
33								
34								
35								
36								

ACCOUNTS PAYABLE (Account 4010)

Line No.	Name of Creditor (a)	Amount at End of Year (b)
1	Payables to Affiliates	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12	Aggregate of All Other Items	
14	Total	
15		
16		
17	Other Accounts Payable (ten largest in excess of \$25m)	
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29	Aggregate of All Other Items	
30	Total	

No Activity

OTHER DEFERRED CREDITS
(Account 4360)
(include items in excess of \$25m separately)

Line No.	Description of Item (a)	Amount at End of the Year (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
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16		
17		
18		
19		
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22		
23		
24		
25		
26		
27		
28		
29		
30	Aggregate of Balances in Clearing Accounts Not Itemized Above	
31	Aggregate of All Other Items	
32	Total	

No Activity

NET DEFERRED OPERATING INCOME TAXES (Account 4100 and 4340)

[illegible]

Annual Report of Kayle Communication Inc. Year Ended December 31, 2000

OTHER OPERATING TAXES
(Account 7240)

Line No.	TYPE OF TAX (a)	Total (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23	Total	
24	Charged to Construction	
25		
26		
27		
28		
29		
30		
31		
32		
33	Net Charged to Account	

No Activity

PREPAID TAXES AND TAX ACCRUALS (Accounts 1300, 4070 and 4080)

Line No.	Particulars (a)	Balance at Beginning of Year			Taxes Accrued During Year	Taxes Paid During the Year (f)	Adjustments Debit or (Credits) (g)	Balance at End of the Year		
		Prepaid Taxes (Acct. 1300) (b)	Income Taxes-Accrued (Acct. 4070) (c)	Other Taxes-Accrued (Acct. 4080) (d)	Amount (e)			Prepaid Taxes (Acct. 1300) (h)	Income Taxes-Accrued (Acct. 4070) (i)	Other Taxes-Accrued (Acct. 4080) (j)
1										
2										
3										
4										
5										
6										
7										
8										
9										
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29										
30										
31										
32										
33										
34										
35	Totals									

No Activity

FEDERAL INCOME TAXES

Line No.	Particulars (a)	Debit or (Credit) Amount (b)
1	7220 Operating Federal Income Taxes	
2	7420 Nonoperating Federal Income Taxes	
3	7630 Current Income Tax Effect of Extraordinary Items - Net	
4	7640 Provision for Deferred Income Tax Effect of Extraordinary Items - Net	
5	Other (specified)	
6		
7		
8		
9		
10	Total	

No Activity

VERIFICATION

This report shall be verified under oath by the responsible accounting officer.

OATH

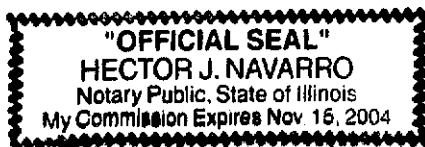
STATE OF Illinois
COUNTY OF Cook } ss

Roderick Beim makes oath and says that
(insert here the name of the affiant)
he is President
(insert here the official title of the affiant)
of Wayla Communication
(insert here the exact legal title or name of the respondent)

that he has examined the foregoing report; that to the best of his knowledge, information, and belief, all statements of fact contained in the said report are true, and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from and including January 1, 19 ____, to and including December 31, 19 ____.

Roderick Beim
(Signature of affiant)

Subscribed and sworn to before me, a NOTARY PUBLIC in and for the State and County
above named, this 26TH day of SEPTEMBER, 2001. My Commission expires
NOV 15, 2004.



Hector J. Navarro
(Signature of officer authorized to administer oath)